

The South Carolina Department of Mental Health

South Carolina House of Representatives
Ways and Means
Healthcare Subcommittee

FY2018 Budget Presentation

January 17, 2017

Presented by John H. Magill, State Director
South Carolina Department of Mental Health

The South Carolina Department of Mental Health

The South Carolina Department of Mental Health's (SCDMH) mission is to support the recovery of people with mental illnesses, giving priority to adults with serious and persistent mental illness and to children and adolescents with serious emotional disturbances.

The SCDMH system...

- Comprises 17 community-based, outpatient mental health centers, each with clinics and satellite offices, which serve all 46 counties – a total of approximately 60 outpatient sites;
- Provides services to approximately 100,000 patients per year, approximately 30,000 of whom are children;
- Operates several licensed hospitals, serving adults, children and adolescents, and addictive disease;
- Operates four nursing homes, including three for veterans;
- Includes operation of an inpatient Forensics hospital and an outpatient program;
- Includes operation of a Sexually Violent Predator Treatment Program.

SCDMH is one of the largest healthcare systems in South Carolina.

Program Focus

The Department is a leader in the provision of mental health services. Two examples of the Department's leadership are highlighted below.

Telepsychiatry

- As of December 1, 2016, SCDMH's innovative and award winning Emergency Department Telepsychiatry Consultation Program had provided more than 31,000 psychiatric consultations in emergency departments across South Carolina.
 - In FY2016, the Emergency Department Telepsychiatry Consultation Program averaged 465 consults per month.
- Built on the success of telepsychiatry services to emergency departments, SCDMH has equipped its hospitals, mental health centers, and clinics to provide psychiatric treatment services to its patients via telepsychiatry.
 - In FY2016, the Community Telepsychiatry Program averaged 778 psychiatric treatment services per month.
- Currently, SCDMH Telepsychiatry Programs provide almost 20,000 services a year.

School-Based Services

- SCDMH has continued to expand school-based programs. SCDMH School-Based Services are now available in 540 schools in 46 counties across South Carolina.
 - In FY2016, approximately 25,000 students were served by SCDMH's School-Based Services Program.

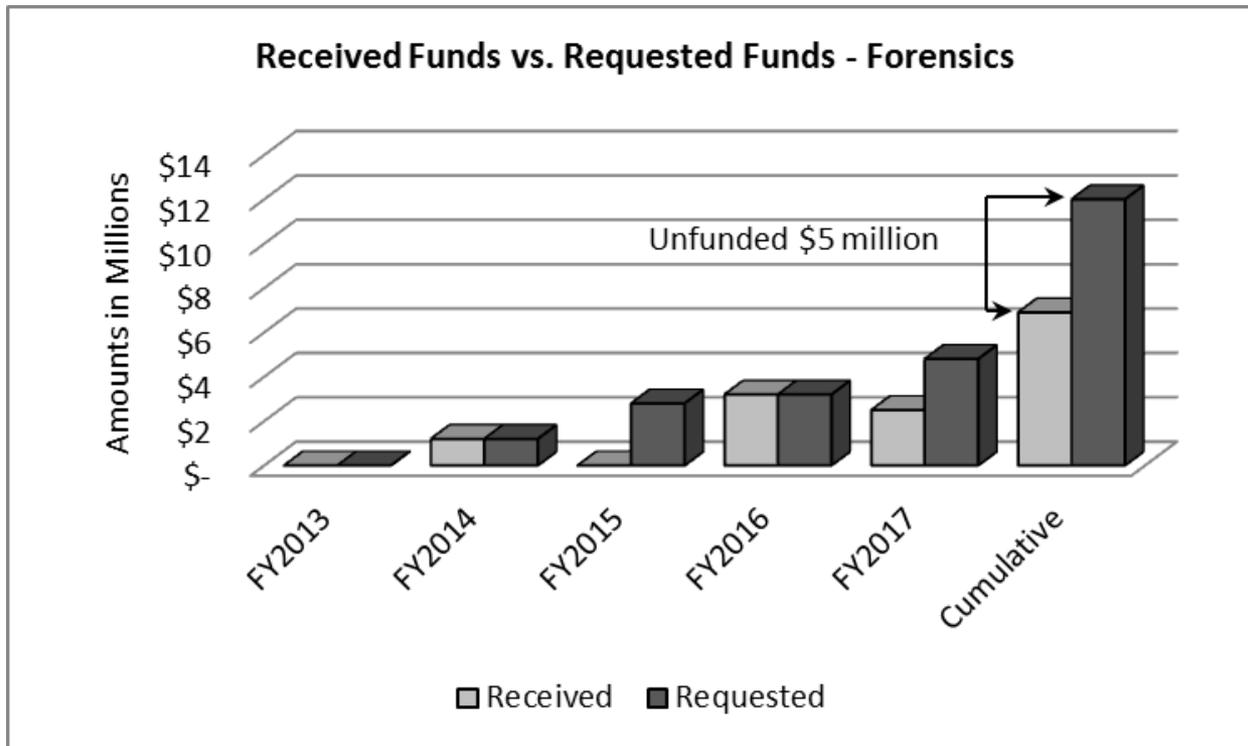
Appropriations

Replenishment of Prior Reductions

- From FY2008-FY2012, SCDMH had \$93,216,181 (-42.3% of FY2008 ending state appropriations) in budget reductions.
- Of the funding increases received by SCDMH since FY2013 only a portion of the funds were appropriated for the replenishment of prior reductions, \$35,828,347 (38.4% of the \$93,216,181 in budget reductions).
- The effect of this base reduction has been more significant than \$93 million, because it has been recurring and, therefore, cumulative.
- (See also Tab 1, Slide 13 in Notebook)

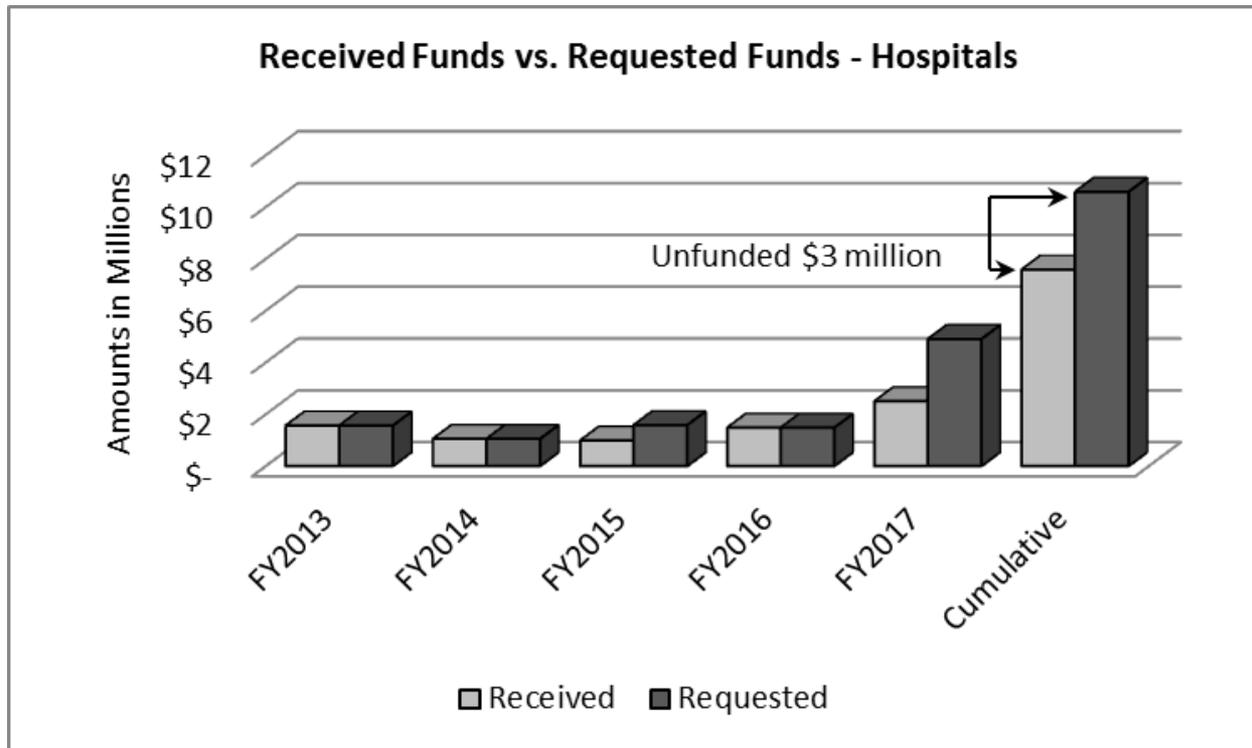
Appropriations – Received vs. Requested

Since FY2013, the Forensics Program has received 57.48% of requested state appropriations.



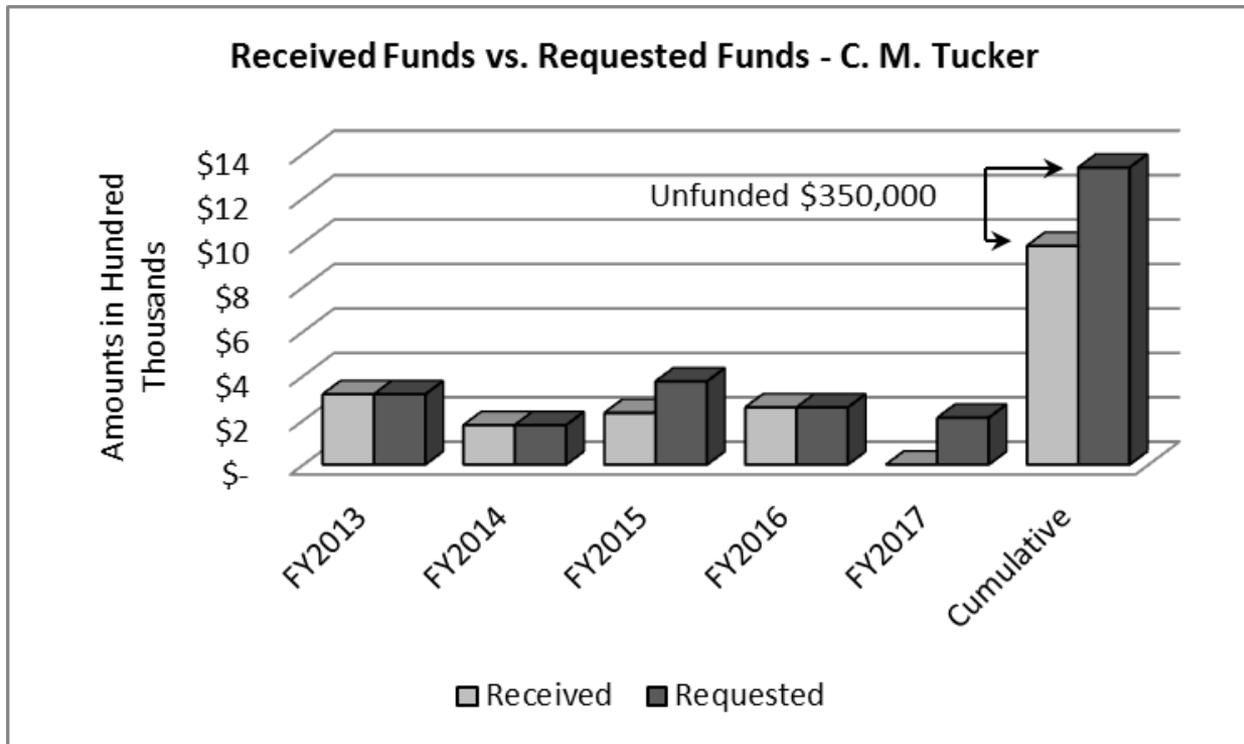
Appropriations – Received vs. Requested

Since FY2013, the Hospital Programs have received 71.61% of requested state appropriations.



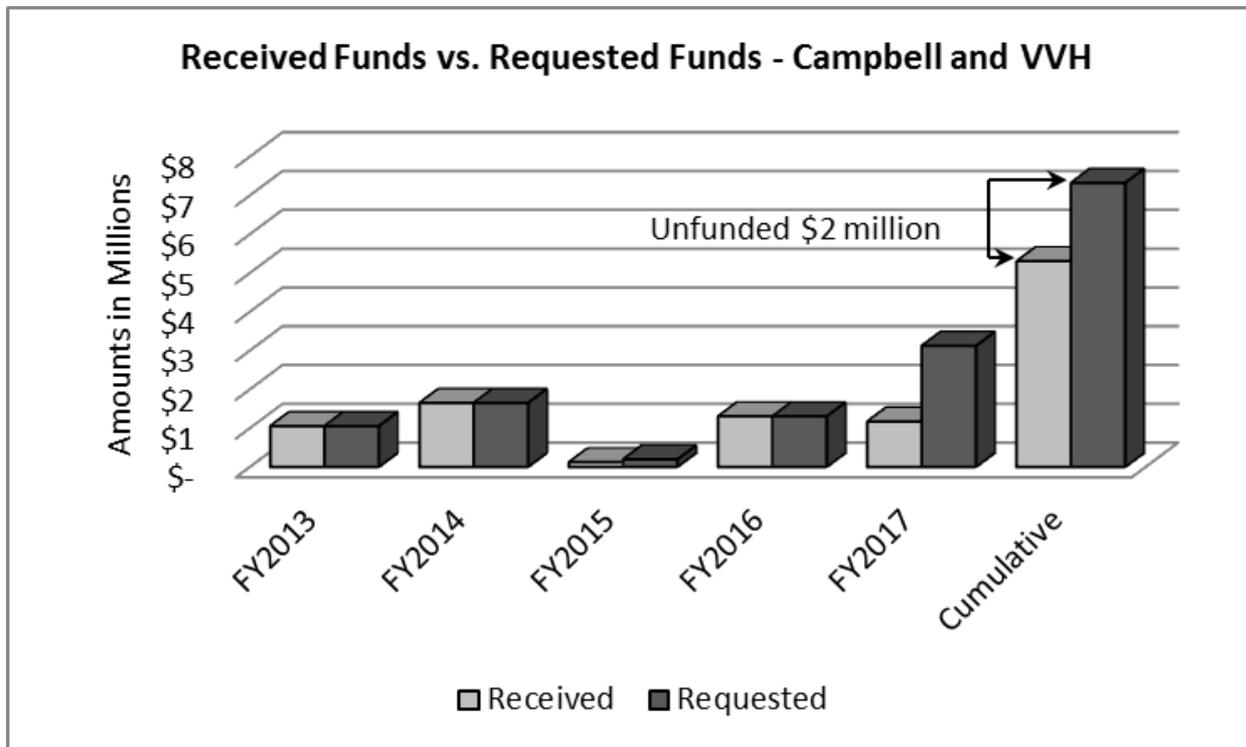
Appropriations – Received vs. Requested

Since FY2013, C. M. Tucker Nursing Care Center has received 73.62% of requested state appropriations.



Appropriations – Received vs. Requested

Since FY2013, Richard M. Campbell Veterans Nursing Home and Veterans' Victory House have, combined, received 72.40% of requested state appropriations.



FY2018 Budget Requests

The Department has requested the following amounts to maintain its operations and to continue its mission to support the recovery of people with mental illnesses –

Recurring Budget Requests

Forensics	\$10,230,902
Sexually Violent Predators Program	950,460
Inpatient Clinical and Medical Services	1,686,192
Long-Term Care Services	834,430
Information Technology	2,274,378
FLSA – Crisis/On-Call	500,000
Public Safety	1,153,886
Community Housing	300,000
School-Based Services	<u>250,000</u>
<u>Recurring Request Total</u>	<u>\$18,180,248</u>

FY2018 Budget Requests

The Department has also requested the following amounts to maintain its operations and to continue its mission to support the recovery of people with mental illnesses –

Non-Recurring Budget Requests

Forensics	\$ 145,364
Inpatient Clinical and Medical Services	861,601
Long-Term Care	361,482
Public Safety	395,484
Certification of State Match – VA State Homes	<u>10,000,000</u>
<u>Non-Recurring Request Total</u>	<u>\$11,763,931</u>

FY2018 Budget Requests

The Department has also requested the following amounts to maintain its operations and to continue its mission to support the recovery of people with mental illnesses –

Capital Budget Requests

Harris Hospital Heating and Air Conditioning Renovations	\$ 2,200,000
NE Campus Electrical Distribution System Renovations	3,600,000
Anderson-Oconee-Pickens MHC Construction	10,592,000
Catawba MHC Construction	10,580,000
Community Buildings Deferred Maintenance	3,000,000
Inpatient and Support Buildings Deferred Maintenance	1,500,000
Columbia Area MHC Phase III Construction	3,500,000
Campbell Veterans Nursing Home Renovations	<u>1,379,000</u>
<u>Capital Budget Request Total</u>	<u>\$36,351,000</u>

Note: SCDMH has also requested \$3,305,807 in Federal Authorization.

FY2018 Budget Requests (Recurring)

- Forensics – Annualization \$5,490,659
 - Current expenditures for forensic evaluation services, increased commitment orders, and operating additional CRCFs (Community Residential Care Facilities) in the community.
- Forensics – New Funds \$4,740,243
 - Expected costs for the addition of 32 beds on Lodge E, as well as increased orders for evaluation and commitment.
- Sexually Violent Predator Program \$950,460
 - The census of the program increases annually.
- Inpatient Clinical and Medical Services – Annualization \$1,686,192
 - Costs net of revenue to maintain services at current levels. The requested amount represents FY2017 annualizations.

FY2018 Budget Requests (Recurring)

- Long-Term Care Services \$834,430
 - Expected costs net of revenue for increases in contractually-obligated expenses associated with the Department's contracted facilities.

- Information Technology – Annualization \$779,125
 - Maintenance, support, and licensure costs for Inpatient Services and Community Mental Health Services Electronic Medical Record (EMR) support and its network infrastructure support. The requested amount represents FY2017 annualizations.

- FLSA – Crisis/On-Call \$500,000

- Public Safety \$1,153,886
 - Salary increases to increase recruitment and retention and minimize overtime costs.

FY2018 Budget Requests (Recurring)

- Information Technology – New Funds \$1,495,253
 - Expected costs for Inpatient Services and Community Mental Health Services information technology support and its network infrastructure support, including contractual services maintenance, software product costs and training.

- Community Housing \$300,000
 - Increased rental assistance to provide additional permanent supportive housing for patients with severe and persistent mental illness.

- School-Based Services \$250,000
 - SCDMH school based mental health services improve access to needed mental health services for children and their families.

FY2018 Budget Requests (Non-Recurring)

- Forensics \$145,364
 - Funds are requested for one-time expenses associated with placements within the community – primarily, the funds are associated with transportation needs (vehicles).

- Inpatient Clinical and Medical Services \$861,601
 - Funds are requested for one-time expenses associated with the following:
 - Nutritional Services - \$196,868 – Kettles, truck refrigeration units, and food preparation mixers.
 - Harris Psychiatric Hospital - \$164,900 – Security equipment, vehicles, furniture, and computers.
 - Morris Village - \$151,000 – Restroom renovations, tile abatement, and furniture.
 - Bryan Civil - \$348,833 – Security equipment, vehicles, furniture, and emergency carts.

FY2018 Budget Requests (Non-Recurring)

- Long-Term Care Services \$361,482
 - Funds are requested for one-time expenses associated with the following:
 - Roddey Pavilion - \$222,576 – Physical Therapy/Occupational Therapy/Recreational Therapy equipment, vehicles, furniture and equipment replacement, and dining supplies.
 - Stone Pavilion - \$138,906 – Nurse call system upgrade, furniture and equipment replacement, and shingles vaccine.
- Public Safety \$395,484
 - One-time expenses associated with a records management system, fire and life safety training systems, an emergency relocation plan, a mobile command center, information technology systems upgrades, officer safety and radio communications, a facility surveillance and security system, mobile data units, six (6) vehicles, and an electronic ticket system.

FY2018 Budget Requests (Non-Recurring)

- Certification of State Match – VA State Homes (Northwest) \$5,000,000
 - This project is to construct a 108-bed State Veterans Home in Cherokee County.

- Certification of State Match – VA State Homes (Northeast) \$5,000,000
 - This project is to construct a 108-bed State Veterans Home in Florence.

FY2018 Budget Requests (Capital)

- Harris Hospital Heating & Air Conditioning Renovations \$2,200,000
 - This project is to address the replacement of the 30-year old heating and air conditioning and fire sprinkler system at Harris Hospital.
- NE Campus Electrical Distribution System Renovations \$3,600,000
 - Crafts Farrow State Hospital Campus is located on Farrow Road in Northeast Columbia. Most of the supporting electrical distribution infrastructure is at least 40 years old. The Department of Mental Health owns and maintains the electrical substation, as well as the overhead and underground portions of the distribution system.

FY2018 Budget Requests (Capital)

- A-O-P Mental Health Center Construction \$10,592,000
 - Construct a 40,000 SF facility on five acres of land currently owned by Anderson County. This request is related to the Department's goal to provide sufficient mental health services in communities to minimize consumers' needs for hospitalization to the greatest extent possible. Anderson County council has voted and approved the donation of the five acres.

- Catawba Mental Health Center Construction \$10,580,000
 - Purchase 6 acres of land and construct a 39,000 SF facility in the Rock Hill area to provide mental health services to clients in York County. This request is related to the Department's goal to provide sufficient mental health services in communities to minimize consumers' needs for hospitalization to the greatest extent possible.

FY2018 Budget Requests (Capital)

- Community Buildings Deferred Maintenance \$3,000,000
 - This project is to address multiple deferred maintenance issues in our community mental health facilities. DMH has deferred maintenance issues totaling over \$40 million. This request is to address the most urgent building needs and examples include heating and air conditioning system repairs at Aiken-Barnwell, Berkeley, Tri-County, Coastal Empire, Charleston/Dorchester, Orangeburg, Pee Dee, Santee-Wateree, Tri-County, and Waccamaw Mental Health Center buildings; interior and exterior repairs at Piedmont, Orangeburg and Tri-County, and Fire Sprinkler repairs at Coastal Empire.

- Inpatient and Support Buildings Deferred Maintenance \$1,500,000
 - This project is to address deferred maintenance issues in our in-patient buildings. This request is to address the most urgent building needs, focusing on those items identified by the Joint Commission which may jeopardize our hospital accreditation if not corrected. Examples include upgrading hardware and fixtures at Bryan to meet current anti-ligature standards; repair and replacement of fire dampers and associated fire protection and alarm system equipment, and items relating to environment of care at both Bryan and Tucker Center.

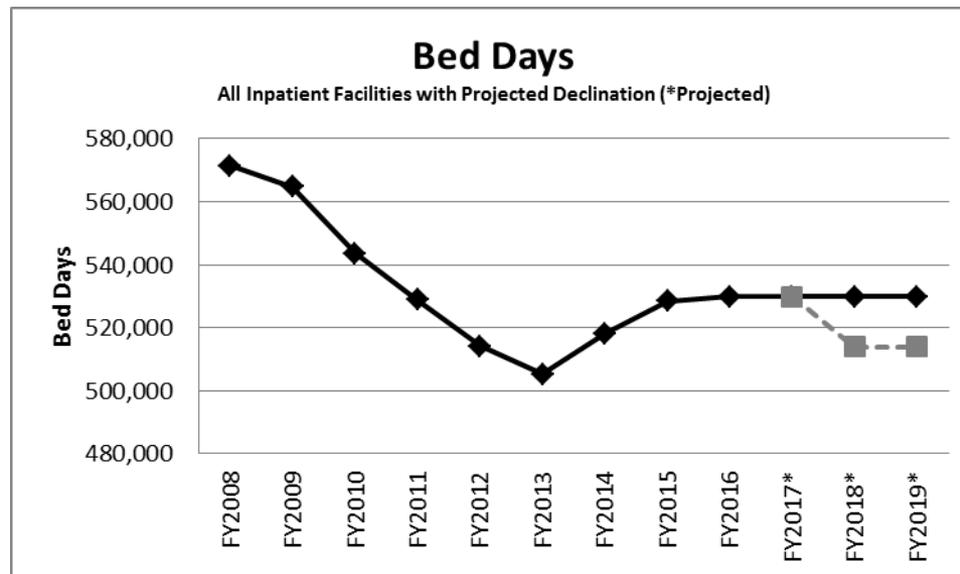
FY2018 Budget Requests (Capital)

- Columbia Area Mental Health Center Phase III Construction \$3,500,000
 - Justification: This project is to construct a 30,000 square foot facility on land currently owned by the Department. Columbia Area Mental Health Center's Child & Adolescent (C&A) Program has outgrown its current space in the Phase I Building. The new facility will accommodate the C&A Program, the Assessment Resource Center and several associated support services. The total project cost is \$7,590,000.
- Campbell Veterans Nursing Home Renovations \$1,379,000
 - Justification: This project is to address deferred maintenance issues at Campbell VA Nursing Home in Anderson. The work includes renovations to the kitchen to include new equipment; replacing dryers in the laundry; replacing water heaters; shower renovations to provide more privacy; replacing flooring finishes; replacing existing front entry doors and lobby door for better security; installation of covered shelters in the courtyards for shade; and re-configuration of resident bathrooms to allow access for patient lifts and replacement of existing free standing wardrobe type closets.

Projected Declination without Requested Funds

The Department has projected that without the requested annualization funds, the Division of Inpatient Services would have a declination of approximately 15,900 bed days per year.

A declination of such magnitude would negate the Department's success in increasing total bed days and diminish its inpatient bed capacity by 3.0%.



Additionally, without the requested new funds, the Department will not be able to meet the expected future demand for mental health services (equivalent to approximately 18,700 bed days).

Meeting Future Challenges

The Department has also identified other considerations that merit mention.

- The Forensification of Inpatient Beds
- The Method to Increase Hospital Capacity without Increasing Hospital Beds
- The Current Challenges of Workforce Development, Recruitment, and Retention
- The Effects of Managed Care Organization Carve-In (MCO Carve-In)
- The Role of SCDMH in Disaster Response – Hurricane Matthew, Townville, and Support for North Carolina
- The Future Challenges of Operating Three New VA State Homes – Staffing Three 108-Bed Nursing Homes

The South Carolina Department of Mental Health

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